

STATE CONTROLLER'S OFFICE  
PERSONNEL/PAYROLL SERVICES DIVISION  
P.O. Box 942850  
Sacramento, CA 94250-5878

DATE: May 21, 2002

PERSONNEL LETTER # 02-011  
CIVIL SERVICE ONLY

TO: All Agencies in the Uniform State Payroll System

FROM: RALPH ZENTNER, Acting Chief  
Personnel/Payroll Services DivisionRE: **EMPLOYEE RETIREMENT CHANGE FOR BARGAINING UNIT 02**

This Personnel Letter provides information concerning employee retirement changes pursuant to passage of Assembly Bill 1684, the MOU bill for Bargaining Unit 02. The retirement changes are effective April 1, 2002 for Miscellaneous and Industrial employees and May 1, 2002 for Safety employees. Specific instructions are highlighted below.

**MISCELLANEOUS/INDUSTRIAL MEMBERS SUBJECT TO SOCIAL SECURITY**

The employee rate will be retroactively adjusted from 5% in excess of \$513 per month to 0% for April. From May 2002 - June 2003, the rate will continue at 0%. Beginning July 2003, the rate will return to 5% in excess of \$513 per month.

**MISCELLANEOUS/INDUSTRIAL MEMBERS NOT SUBJECT TO SOCIAL SECURITY**

The employee rate will be retroactively adjusted from 6% in excess of \$317 per month to 1% in excess of \$317 per month for April. From May 2002 - June 2003, the rate will continue at 1% in excess of \$317 per month. Beginning July 2003, the rate will return to 6% in excess of \$317 per month.

**SAFETY MEMBERS**

The employee rate will be reduced to 0% of compensation per month from May 2002 - June 2003. Beginning July 2003, the employee rate will be 6% in excess of \$317 per month.

**ACCOUNT CODES**

Below is a chart identifying the old and new retirement codes and retirement rates.

Current Account Code	New Account Code	Old Rate	New Rate
40	05	6%	1%
42	06	6%	1%
45	25	5%	0%
46	29	6%	1%
48	73	6%	1%
49	90	5%	0%
63	6A	8%	0%
64	6B	8%	0%

**PROCESSING**

The Controller's Office processed an Employment History mass update the evening of May 20, 2002 to post 505 transactions for Miscellaneous and Industrial members. The Controller's Office will manually post 505 transactions for Safety members prior to master cutoff.

Turnaround PARS will be issued from the update.

Miscellaneous and Industrial employees with appointment or separation expiration dates prior to April 1, 2002 were not included in the mass update. Safety employees with appointment or separation expiration dates prior to May 1, 2002 will not have a 505 transaction manually posted by the Controller's Office. Therefore, agencies must determine if the employees are to be re-appointed or separated and key enter the appropriate transaction. If re-appointed, key a 505 transaction effective April 1, 2002 that reflects the correct account code for Miscellaneous and Industrial employees, or May 1, 2002 for Safety employees.

The Controller's Office posted 505 transactions to the Employment History Data Base based on transactions processed prior to the May 20 mass update. If an employee's most current transaction reflects an effective date equal to or less than April 1, 2002, the 505 transaction was posted by the mass update process. If an employee's most recent transaction is effective after April 1, 2002, the 505 transaction will be manually posted by the Controller's Office beginning May 21, 2002. Also, subsequent transactions will be corrected as needed.

Agencies are responsible for updating the Employment History Data Base with the correct retirement account code information for transactions keyed after the May 20 mass update. Failure to do so could result in erroneous employee retirement contributions.

#### RETROACTIVE PAYROLL ADJUSTMENTS FOR APRIL

Payroll adjustments for Miscellaneous/Industrial members for April will be retroactively adjusted by the Controller's Office. A separate credit issue warrant will be issued in June.

#### CONTACTS

If you have any questions concerning this letter, please contact Lynn Black at (916) 327-3926. For PAR documentation, contact the Personnel Liaison Unit at (916) 322-6500. Revisions to the Payroll Procedures Manual and the Personnel Action Manual are forthcoming.

RZ:LB/PMAB